GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:392
ANSWERED ON:21.11.2000
ALLOY STEEL MELTING SCRAP
MOINUL HASSAN AHAMED

Will the Minister of STEEL be pleased to state:

(a) the quantity of duty free import licences for non-alloy steel melting scrap sold by SAIL, RINL and other PSUs;

(b) whether such licences were sold through tenders and the prices at which these were sold were lower than those prevailing in the market;

(c) if so, the amount of loss suffered by the steel PSUs as a result thereof;

(d) whether any investigation has been undertaken by the Government into the matter; and

(e) if so, the action taken by the Government thereon?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) Steel Authority of India Ltd. (SAIL),Rashtriya Ispat Nigam Ltd. (RINL) and MSTC Ltd. have sold the following quantum of duty free import licences for non-alloy steel melting scrap from 1998 onwards amounting to value in Rupees as under:

(Rupees in crores)

Sl.No.	PSU	1998	1999	2000
1.	Steel Authority of India Ltd.(SAIL)	3.29	-	-
2.	Rashtriya Ispat Nigam Ltd.(RINL)	69.569++	43.429	30.206++
3.	MSTC Ltd.	88.12+	24.14	-

\+ For 9 licences sold, the transferees were allowed to import LAM coke, Limestone and Pig Iron also apart from Melting Scrap, as per the conditions stipulated in the licences only.

++ In respect of certain licences that were sold, the transferees could import certain other items as well, other than Non-alloy Steel Melting Scrap, as per the conditions stipulated in the licences only.

(b) & (c): The above licences have been sold by PSUs through limited tender, open tender and negotiations and best possible price was obtained.

(d) & (e): An enquiry into the sale of advance import licences by SAIL, RINL and MSTC Ltd. was conducted in September, 1998 by a retired former Secretary to the Government of India in the Ministry of Steel.The report of the Committee has been examined by the Chief Vigilance Officers of the concerned PSUs and later, by the Chief Vigilance Officer of the Ministry. Based on these examinations, disciplinary proceedings have been initiated against six serving officers of RINL.The advice of the Central Vigilance Commission has been sought for possible courses of action against officials, who have been found, involved, but who have either superannuated or left the PSU.